

FISCAL YEAR 2021
2nd QUARTER PROPOSED BUDGET AMENDMENT

	Current 2021 Budget	2nd Qtr Amendment	Proposed 2021 Budget
Total Revenues	\$ 133,992,290	\$ 9,312,810	\$ 143,305,100
<i>Operating Expense</i>	\$ 109,123,480	\$ (170,150)	\$ 108,953,330
<i>Capital Outlay Expense</i>	40,813,090	\$ 361,640	41,174,730
<i>Transfer-Out Expense</i>	22,674,990	\$ 4,026,910	26,701,900
Total Expenses	\$ 172,611,560	\$ 4,218,400	\$ 176,829,960
To/(From) Fund Balance	\$ (38,619,270)	\$ 5,094,410	\$ (33,524,860)

Grand Total Citywide Revenue, Expense, and Fund Balance Impact:

The FY 2021 2nd Quarter Budget Amendment proposes an increase in total revenues of +\$9,312,810 and an increase in total expenses of +\$4,218,400. The proposed increase in revenues less the increase in expenses will have a net impact on citywide fund balances and retained earnings of +\$5,094,410.

Some of the most significant financial items presented as part of this FY 2021 2nd Quarter Budget Amendment include:

- Increase of +\$9,312,810 in Total Revenues
 - Primarily due to an increase in funding for the American Rescue Plan Act (ARPA), State Shared Revenue, Act 51 Gasoline Taxes, and transfers in to the Capital Improvement Fund from General Fund
- Decrease of (\$170,150) in operating expenditures
- Increase of +\$361,640 in capital project funding, including:
 - (\$13,600) = Major Road Fund
 - (\$23,000) = Fire Capital Fund
 - (\$166,580) = Pathway Construction Fund
 - +\$7,300 = Capital Improvement Fund
 - (\$37,610) = Water & Sewer Capital Fund
 - +\$840,000 = Facilities Fund
 - (\$244,870) = Fleet Fund
- Increase of +\$4,026,910 in Transfers-Out
 - Primarily due to an increase in the Transfer-Out from the General Fund to the Capital Improvement Fund, a decrease in the Transfer-Out from the General Fund to the Local Street Fund, and an increase in the Transfer-Out from the Capital Improvement Fund to the Facilities Fund for capital projects.

Summary by Fund

101 - General Fund

General Fund revenues are proposed to increase by +\$959,580 due to:

- Increase of +\$31,380 in actual tax revenue
- Increase of +\$110,000 in Federal Grants due to the Oakland County Restaurant Relief Grant
- Increase of +\$800,000 in projected State-Shared revenue
- Decrease of (\$11,800) in Fees and Contributions
- Increase of +\$30,000 from the OPC Building Debt Service Fund to close the fund

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General Fund expenditures are proposed to increase by +\$3,794,790 primarily due to:

- Increase of +\$276,550 in Operating Expenditures
- Increase of +\$3,518,240 in Transfers-Out
 - Decrease of (\$2,407,110) to the Local Street Fund to set the Local Street fund balance at 25% of annual expenditures
 - Increase of +\$5,925,350 to the Capital Improvement Fund to set General Fund balance at 80% of annual expenditures per Fund Balance Policy

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$2,835,210).

202 - Major Road Fund

Major Road Fund revenues are proposed to increase by +\$886,400 due to:

- Increase of +\$900,000 in projected Act 51 revenue
- Decrease of (\$13,600) in Transfer-In from the 848 – LDFA Fund to amend MR-60: Waterview Reconstruction P/E to actual cost

Major Road Fund expenditures are proposed to increase by +\$244,900 due to:

- Increase of +\$33,500 in operating expenses
 - To re-classify certain street lighting costs from the Local Street Fund
- Decrease of (\$13,600) in capital projects:

Major Road Fund Capital Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendmdent	2021 Amended Budget
MR-60: Waterview Reconstruction P/E	\$ 200,000	\$ (13,600)	\$ 186,400
All Other Major Road Capital Projects	\$ 7,351,020	\$ -	\$ 7,351,020
Capital Project Total	\$ 7,551,020	\$ (13,600)	\$ 7,537,420

- Increase of +\$225,000 in Transfer-Out due to:
 - Increase of +\$225,000 in transfer-out to Local Street Fund to set at 25% of Major Road Act 51 Revenue

The increase in revenues less the increase in expenditures will have a net impact on fund balance of +\$641,500.

203 – Local Street Fund

Local Street Fund revenues are proposed to decrease by (\$1,678,760) due to:

- Increase of +\$12,090 in actual tax revenue
- Increase of +\$350,000 in projected Act 51 revenue
- Increase of +\$141,260 in Fees and Reimbursements
- Increase of +\$225,000 in Transfer-In Major Road Fund to set at 25% of Major Road Act 51 Revenue
- Decrease of (\$2,407,110) in Transfer-In from General Fund to set Local Street fund balance at 25% of annual expenditures

Local Street Fund expenditures are proposed to decrease by (\$35,000) due to:

- Decrease of (\$35,000) in operating expenses
 - To re-classify certain street lighting costs to the Major Road Fund

The decrease in revenues less the decrease in expenditures will have a net impact on fund balance of (\$1,643,760).

206 – Fire Fund

Fire Fund revenues are proposed to decrease by (\$45,790) due to:

- Increase of +\$35,270 in actual tax revenue
- Increase of +\$189,440 in CARES Act Reimbursement for COVID Expenses

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- Decrease of (\$270,500) in Charges for Services due to lower EMS run volumes
- Fire Fund expenditures are proposed to increase by +\$27,710 due to:
- Decrease of (\$18,720) in Operating Expenses
 - Increase of +\$46,430 in Transfer Out:
 - Increase of \$46,430 to Fire Capital Fund to set Fire Operating Fund Balance at 25% of annual operating expenditures per Fund Balance Policy
- The decrease in revenues less the increase in expenditures will have a net impact on fund balance of (\$73,500).

207 – Special Police Fund

Special Police Fund revenues are proposed to decrease by (\$64,370) due to:

- Increase of +\$30,630 in actual tax revenue
- Decrease of (\$95,000) in fines due to lower District Court fines trend

The decrease in revenues will have a net impact on fund balance of (\$64,370).

213 – RARA Millage Fund

RARA Millage Fund revenues are proposed to increase by +\$1,950 due to:

- Increase of +\$1,950 in actual tax revenue

RARA Millage Fund expenditures are proposed to increase by +\$1,950 due to:

- Increase of +\$1,950 in Transfers-Out to RARA to balance

The increase in revenues less the increase in expenditures has no net impact on fund balance.

214 – Pathway Maintenance Fund

Pathway Maintenance Fund revenues are proposed to increase by +\$1,840 due to:

- Increase of +\$1,840 in actual tax revenue

Pathway Maintenance Fund expenditures are proposed to increase by +\$45,330 due to:

- Increase of +\$45,330 in Transfers-Out to the Pathway Construction Fund to set Pathway Maintenance fund balance at 25% of annual operating expenditures per Fund Balance Policy

The increase in revenues less the increase in expenditures has a net impact on fund balance of (\$43,490).

232 – Tree Fund

Tree Fund expenditures are proposed to increase by +\$21,690 due to:

- Increase of +\$21,690 in operating expenditures due to Gypsy Moth Application

The increase in expenditures will have a net impact on fund balance of (\$21,690).

265 – OPC Millage Fund

OPC Millage Fund revenues are proposed to increase by +\$4,500 due to:

- Increase of +\$4,500 in actual tax revenue

OPC Millage Fund expenditures are proposed to increase by +\$4,500 due to:

- Increase of +\$4,500 in Transfers-Out OPC to balance

The increase in revenues less the increase in expenditures has no net impact on fund balance.

285 – ARPA Fund (New Fund)

ARPA Fund revenues are proposed to increase by +\$3,097,490 due to:

- Increase of +\$3,097,490 received from the first tranche of the American Rescue Plan Act

The increase in revenues will have a net impact on fund balance of +\$3,097,490.

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- Please note: Administration will be presenting a plan for the use of the ARPA funds to City Council for approval

299 – Green Space Operating Fund

Green Space Operating Fund revenues are proposed to decrease by (\$33,320) due to:

- Decrease of (\$33,320) in Transfer In from Green Space Trust Fund to set the Green Space Operating Fund Balance at 25% of annual operating expenditures per Fund Balance Policy

The decrease in revenues will have a net impact on fund balance of (\$33,320)

331 – Drain Debt Millage Fund

Drain Debt Millage Fund revenues are proposed to increase by +\$1,530 due to:

- Increase of +\$1,530 in actual tax revenue

The increase in revenues will have a net impact on fund balance of +\$1,530.

369 – OPC Building Refunding Millage Fund

OPC Building Refunding Millage Fund revenues are proposed to increase by +\$25,020 due to:

- Increase of +\$25,020 in actual tax revenue

OPC Building Refunding Millage Fund expenditures are proposed to increase by +\$30,000 due to:

- Increase of +\$30,000 in Transfer-Out to transfer the remaining fund balance to General Fund

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$4,980).

402 – Fire Capital Fund

Fire Capital Fund revenues are proposed to increase by +\$46,430 due to:

- Increase of +\$46,430 transferred in from 206 – Fire Operating Fund

Fire Capital Fund expenditures are proposed to decrease by (\$213,000) due to:

- Decrease of (\$80,000) in operating expenses
 - Primarily to reclassify the purchase of Fire Radio Replacements as a capital purchase
- Decrease of (\$23,000) in capital projects:

Fire Capital Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendment	2021 Amended Budget
Radio Replacement [Reclassify from 402.748000]	\$ -	\$ 80,000	\$ 80,000
Fire Training Simulator	\$ 65,000	\$ (65,000)	\$ -
Firefighter Rehab Trailer	\$ 38,000	\$ (38,000)	\$ -
All Other Fire Capital Projects	\$ 1,183,000	\$ -	\$ 1,183,000
Capital Project Total	\$ 1,286,000	\$ (23,000)	\$ 1,263,000

- Decrease of (\$110,000) in Transfer-Out due to less funding to Facilities Fund for projects

The increase in revenues less the decrease in expenditures will have a net impact on fund balance of +\$259,430.

403 – Pathway Construction Fund

Pathway Construction Fund revenues are proposed to decrease by (\$121,250) due to:

- Increase of +\$45,330 transferred in from Pathway Maintenance Fund
- Decrease of (\$166,580) transferred in from LDFA Fund for PW-07D: Adams @ CRT Pathway Crossing – Deferred to FY 2022

Pathway Construction Fund expenditures are proposed to decrease by (\$166,580) due to:

- Decrease of (\$166,580) in capital projects:

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Pathway Construction Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendment	2021 Amended Budget
PW-07D: Adams @ CRT Pathway Crossing	\$ 166,580	\$ (166,580)	\$ -
All Other Pathway Construction Projects	\$ 254,550	\$ -	\$ 254,550
Capital Project Total	\$ 421,130	\$ (166,580)	\$ 254,550

The decrease in revenues less the decrease in expenditures will have a net impact on fund balance of +\$45,330.

420 – Capital Improvement Fund

Capital Improvement Fund revenues are proposed to increase by +\$5,925,350 due to:

- Increase in Transfer In from General Fund

Capital Improvement Fund expenditures are proposed to increase by +\$490,350 due to:

- Increase of +7,300 in capital projects:

Capital Improvement Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendment	2021 Amended Budget
Elections Automated Media Storage & Retrieval System	\$ 30,000	\$ 7,300	\$ 37,300
All Other CIF Funded Projects	\$ 76,000	\$ -	\$ 76,000
Capital Project Total	\$ 106,000	\$ 7,300	\$ 113,300

- Increase of +\$483,050 in Transfers-Out:
 - Increase of +\$7,200 to W/S Capital Fund
 - Increase of +\$475,850 to Facilities Fund

The increase in revenues less the increase in expenditures will have a net impact on fund balance of +\$5,435,000.

510 – Sanitary Sewer Division

Sanitary Sewer Division revenues are proposed to increase by +\$25,000 due to:

- Increase of +\$25,000 in Sewer: Capital & Lateral / Commercial

Sanitary Sewer Division expenses are proposed to decrease by (\$15,090) due to:

- Increase of +\$2,000 in operating expenses
- Decrease of (\$17,090) in Transfers-Out:
 - Decrease of (\$17,090) to the W&S Capital Fund for the prior year (FY 2020) depreciation and capital and lateral fees

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$40,090.

530 – Water Division

Water Division expenses are proposed to increase by +\$7,940 due to:

- Increase of +\$7,940 in operating expenses

The increase in expenses will have a net impact on retained earnings of (\$7,940).

593 – Water & Sewer Capital Fund

Water & Sewer Capital Fund revenues are proposed to decrease by (\$9,890) due to:

- Decrease of (\$15,090) in Transfer-In from the Sanitary Sewer Division for the prior year (FY 2020) depreciation and capital and lateral fees
- Increase of +\$7,200 for Innovation Hills Water Hook-up

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Water & Sewer Capital Fund expenses are proposed to decrease by (\$37,610) due to:

- Decrease of (\$37,610) in capital projects including:

Water & Sewer Capital Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendmdent	2021 Amended Budget
SS-10B: Wimberly Drive Sanitary Sewer Repairs	\$ 200,000	\$ (200,000)	\$ -
WS-08: Tienken Manor Subdivision WM Replacement	\$ 2,486,750	\$ 922,110	\$ 3,408,860
WS-34: Glidewell Subdivision WM Replacement	\$ 100,000	\$ 150,000	\$ 250,000
WS-46: RC-02 Improvements	\$ 437,500	\$ (437,500)	\$ -
WS-57: Grosse Pines WM Replacement	\$ 3,185,940	\$ (922,110)	\$ 2,263,830
WS-59: Auburn Road WM Replacement P/E	\$ -	\$ 387,690	\$ 387,690
Innovation Hills Water Hook-up Engineering	\$ -	\$ 7,200	\$ 7,200
SS-14: Sanitary Sewer Dewatering Pad	\$ 259,000	\$ (30,000)	\$ 229,000
FA-04F: Catch Basin Wash Bay	\$ 6,000	\$ 100,000	\$ 106,000
FA-04E: Garage Ventilation	\$ 25,000	\$ (15,000)	\$ 10,000
All Other Water & Sewer Capital Projects	\$ 5,211,720	\$ -	\$ 5,211,720
Capital Project Total	\$ 11,911,910	\$ (37,610)	\$ 11,874,300

The decrease in revenues less the decrease in expenses will have a net impact on retained earnings of +\$27,720.

631 - Facilities Fund

Facilities Fund revenues are proposed to increase by +\$365,850 due to:

- Decrease of (\$110,000) in Transfer-In from Fire Capital Fund for Fire projects
- Increase of +\$475,850 in Transfer-In from Capital Improvement Fund for City projects

Facilities Fund expenses are proposed to increase by +\$615,850 due to:

- Decrease of (\$224,150) in operating expenses
- Increase of +\$840,000 in capital projects:

Facilities Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendmdent	2021 Amended Budget
Asphalt Art on Auburn Road	\$ -	\$ 57,500	\$ 57,500
PK-05G: Various Park Sport Courts Rehab	\$ -	\$ 385,000	\$ 385,000
FA-15: Auburn Alleyway South Parking Lot @ Eastern	\$ -	\$ 12,500	\$ 12,500
PK-13: Innovation Hills Maintenance Garage	\$ 621,500	\$ 200,000	\$ 821,500
PK-05H: Borden Office Relocation	\$ 1,556,750	\$ 200,000	\$ 1,756,750
PK-01H: Bloomer Park Pinegrove & Hilltop Shelter Restroom Upgrades	\$ 15,000	\$ (15,000)	\$ -
All Other Facilities Capital Projects	\$ 8,507,070	\$ -	\$ 8,507,070
Capital Project Total	\$ 10,700,320	\$ 840,000	\$ 11,540,320

The increase in revenues less the increase in expenses will have a net impact on retained earnings of (\$250,000).

661 - Fleet Fund

Fleet Fund revenues are proposed to increase by +\$31,500 due to:

- Increase of +\$31,500 for Interfund charges and charge for services.

Fleet Fund expenses are proposed to decrease by (\$244,870) due to:

- Decrease of (\$244,870) in capital equipment:

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Fleet Fund Project Change Summary			
Project Title	2021 Adopted Budget	2nd Qtr Amendmdent	2021 Amended Budget
Steam Generating Unit/Trailer [DPS]	\$ 29,490	\$ (29,490)	\$ -
Wheel Load Scale (2) [OCSO]	\$ 14,120	\$ (14,120)	\$ -
Equipment Trailer [OCSO/Cert]	\$ 9,660	\$ (9,660)	\$ -
Radar Smart Cart [OCSO]	\$ 16,600	\$ (16,600)	\$ -
Pickup w/Platform & Liftgate [DPS]	\$ 50,000	\$ (50,000)	\$ -
Pickup 4wd w/Plow [Parks]	\$ 50,000	\$ (50,000)	\$ -
Service Truck [Fleet]	\$ 75,000	\$ (75,000)	\$ -
All Other Fleet Capital Projects	\$ 2,559,950	\$ -	\$ 2,559,950
Capital Project Total	\$ 2,804,820	\$ (244,870)	\$ 2,559,950

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$276,370.

761 – Green Space Trust Fund

Green Space Trust Fund expenditures are proposed to decrease by (\$33,320) due to:

- Decrease of (\$33,320) in Transfer-Out to Green Space Operating Fund to set Green Space Operating fund balance at 25% of annual operating expenditures per Fund Balance Policy

The decrease in expenses will have a net impact on fund balance of +\$33,320.

840 – BRA Revolving Fund (New Fund)

BRA Revolving Fund revenues are proposed to increase by +\$13,000 due to:

- Increase of +\$13,000 in Transfer-In from Brownfield Redevelopment Fund - Legacy

The increase in revenues will have a net impact on fund balance of +\$13,000.

844 – Brownfield Redevelopment Fund - Legacy

Brownfield Redevelopment Fund revenues are proposed to decrease by (\$140,960) due to:

- Decrease of (\$140,960) in tax revenue received

Brownfield Redevelopment Fund expenditures are proposed to decrease by (\$140,960) due to:

- Decrease of (\$153,960) in operating expenditures
- Increase of +\$13,000 in Transfer-Out to BRA Revolving Fund

The decrease in revenues less the decrease in expenses will have no impact on fund balance.

848 – LDFA Fund

LDFA Fund revenues are proposed to increase by +\$21,710 due to:

- Increase of +\$21,710 in actual tax revenue

LDFA Fund expenditures are proposed to decrease by (\$180,180) due to:

- Decrease of (\$13,600) in Transfer-Out to Major Road Fund for MR-60 Waterview Reconstruction P/E
- Decrease of (\$166,580) in Transfer-Out to Pathway Construction Fund for PW-07D Adams @ CRT Pathway Crossing deferred to FY 2022

The decrease in revenues less the decrease in expenses will have a net impact on fund balance of +\$201,890.